

Funding Opportunity Announcement

FY23 Solar Canopy and Dual Use Technology Grant Program

Program Description: This program provides grant funding to support the installation of solar systems

that provide multiple uses for land and water. The program encourages efficiency in land use by focusing solar development activities on areas used for other functions. The grant may be used for Solar Canopies on parking lots and parking garages, which include the installation of at least four (4) Level 2 or Level 3 electric vehicle chargers under or around the solar canopy. As a pilot for FY23, the Maryland Energy Administration (MEA) is adding waterborne solar systems. While solar canopies over parking lots and waterborne solar installations are specifically included, other dual use opportunities may be proposed for consideration.

This program was previously known as the "Parking Lot Solar Photovoltaic Canopy with EV Chargers Grant Program" and as the "Solar Canopy Grant Program".

Type of Grant Program: Competitive – statewide

Application Deadline: Friday, December 2, 2022, at 5:00 p.m.

Eligible Applicants: Businesses, non-profit organizations, not-for-profit educational institutions, state

agencies, and local governments, to include public universities, community colleges and public schools. Farmers with sole proprietorships (individuals who file a Schedule F with their Federal Income Tax and have an Agricultural Nutrient

Management Plan on file with the State), are also authorized to apply.

Eligible Activities: Grantees will either directly or through the use of Power Purchase Agreements,

install solar systems that provide a dual use to parking lots, parking garages, or bodies of water. While solar canopies over parking lots and water borne solar installations are specifically included, other dual use opportunities may be

proposed for consideration. The minimum project size is 75kW-dc.

Anticipated Program Budget: \$700,000 The funding is from the Strategic Energy Investment Fund

("SEIF").

Evaluation Criteria: MEA will evaluate each complete application based on the value of the project to

the State's energy goals, which is determined, in part, by using the Application Review Checklist. A sample of the Application Review Checklist can be found on

the program website.

The primary element of the evaluation is the overall cost per watt of nameplate capacity: The total project cost per watt installed in the solar PV system. (\$5,000/total cost per kW).

Additional evaluation criteria include:

- Additional roof- or ground-mounted capacity installed in conjunction with a canopy system and located on the same real estate parcel. Please note that MEA will not include capacity greater than 500kW when determining the grant amount. (Points = (total capacity in kW-dc minus 500kW-dc)/1000).
- Additional solar capacity installed in conjunction with a floating solar system and located on the same body of water. Please note that MEA will not include capacity greater than 500kW when determining the grant amount. (Points = total capacity in kW-dc minus 500kW-dc)/1000).
- The number and type of qualified EV chargers to be installed (1 point for a level 3 charger).
- Innovative project design and/or use (1 point).
- Located in a wastewater treatment pond, stormwater retention pond or private waterway. Any projects that propose installation on areas used for public recreation, water supply, or are generally considered navigable waterways must have the signed approval of each applicable regulatory authority BEFORE applying. (2 points).
- Estimated accessibility of the proposed carport and the EV chargers to the public (1 point if available to the public).
- The frequency of parking lot use (1 point if used seven days per week).
- The geographic diversity of grants awarded (0.5 points if the only entry from the county).

Due to the complexity of the selection process, MEA may request additional information after all applications have been submitted to facilitate the evaluation process.

Review Process:

The MEA Program Manager will assemble a Review Team of at least 3 qualified program managers, energy specialists or other professionals. Individuals from outside MEA may be included at the Program Manager's discretion. All Review Team members will review each application using the Application Review Checklist. Projects are ranked from highest to lowest. Despite the ranking, the Review Team members may still recommend against an award. Any recommendation against an award will be discussed by all team members during an in-person (or virtual) meeting. A majority vote of the Review Team members will be required to disqualify an application for cause. Any disqualification for cause will be documented in the award recommendation memo to the Director (MEA). The Review Team will recommend applications for funding based on the

amount of funding available. The Review Team may, at its sole discretion, recommend one or more additional projects (in order) for funding, if funding becomes available before the end of the fiscal year. The Program Manager will make recommendations to the Director, incorporating input from the Review Team. In the event of a disagreement, the dissenting concerns will be included in the recommendation memo to the Director.

Award Formula:

MEA will provide up to \$500 per kW-dc of new canopy mounted or floating solar PV installed per project, with a maximum award of \$250,000 per project.

MEA will provide up to \$200 per kW-dc for upgrading old (>20 years old) solar PV modules on an existing solar canopy structure, with a cap of \$100,000 per project, where the previous solar canopy system had not received a solar incentive payment from MEA.

Partial awards:

Partial awards are possible under the Program. Full grant awards are made among approved projects from highest to lowest rank. If insufficient funds are available to fully fund a project, the applicant will be given the opportunity to fulfill the grant obligations with the remaining budgeted funding. If the applicant agrees, then the project will be funded with the remaining funds. If the applicant does not agree, then the offer is made to the next approved project in rank order until all funding has been expended or all remaining applicants have rejected the offer. While MEA anticipates using the full amount of allocated funds for this program, MEA reserves the right to obligate some, all, or none of the FY23 Solar Canopy and Dual Use Technology Grant Program budget, based on the quality and eligibility of applications submitted.

Required Application Documents: The following documents are required as part of the application package.

- 1. A Completed application Workbook (Excel).
- 2. A copy of the Maryland State Department of Assessments and Taxation (SDAT) Certificate of Good Standing for the site owner, the solar system installer, and the system owner.
- 3. For businesses or non-profits using a 3rd party owned system, a signed contract or letter of intent between the Site Owner and System Owner. The letter of intent must include at least the location and estimated capacity of the solar system.
- 4. For State Agencies and Local Government, evidence of state agency or local government commitment in the form of a signed contract with a system owner, OR a letter of commitment from a senior level agency or local government official who is authorized to act on behalf of the state agency or local government. If a signed contract is not included, provide an overview of the state agency or local government's procurement process, which includes steps, approvals that must be obtained, and an approximate timeline for each step of the process. The Letter of Intent must include at least the location and estimated capacity of the solar system. If a Power Purchase Agreement is

- being considered, a State or Local Government entity that must still go through a procurement process must state that their electricity price expectations should be available on the open market (and provide the basis for this expectation).
- 5. For businesses or non-profits, a copy of an itemized and signed contract or letter of intent between the System Owner and Installing Contractor. The Letter of Intent must include at least the location and estimated capacity of the solar system. If a state or local government applicant already has a signed contract or letter of intent, it should be submitted also.
- 6. A system diagram detailing locations, dimensions, and orientations of the system on the property. For solar canopy systems, the system diagram must include dimensions of the parking lot and the Solar Canopy. For floating solar systems, the system diagram must include the dimensions of the body of water, the dimensions of the proposed array, and the proposed anchor points.
- 7. A site map exhibiting the location of the system on the property (image from Google Earth/Maps © preferred, digital/print photograph is acceptable).
- 8. Evidence of the Site Owner's control of the project site, preferably in the form of a recorded deed, or a lease extending at least 25 years past the expected completion of the solar canopy or floating solar array.
- 9. Evidence of project finance in the form of a financier's Letter of Commitment or a signed letter confirming the prospective system owner's ability to finance the project on its own.
- 10. Construction schedule (assuming the Grant is signed on February 22, 2023).
- 11. IRS Form W-9 for the applicant (organization receiving the grant funding).
- 12. Solar Production estimate (PVWatts or PVsyst).
- 13. A basic electrical schematic of the facility's electrical system (a one-line diagram is acceptable) and where/how the solar array connects to it. If part of a resiliency plan, provide a separate diagram showing potential future components of the resiliency system.
- 14. For a purchased system, calculate and provide the simple payback period (show your work). For a 3rd party-owned system, show the cost savings to the site owner over a 25- year period (show your work).

Submission Instructions: MEA encourages the use of electronic applications to streamline processing and reduce environmental impacts. If you cannot apply electronically, please contact MEA no later than seven (7) days prior to the application deadline to identify an alternative method to submit the application.

The application spreadsheet and required documents should be emailed to: solar.mea@maryland.gov.

Only if specifically authorized by MEA, an applicant should mail the supporting documents to:

Maryland Energy Administration
Attn: Public Facility Solar Grant Program

1800 Washington Blvd. Suite 755 Baltimore, MD 21230

Grant Program General Provisions: MEA grant programs are covered by general requirements that will be made part of the grant agreement, titled General Provisions, between MEA and a grantee. A copy of the General Provisions document is available on MEA's website here; these provisions will be incorporated into each FY23 grant agreement issued by MEA.

Program-Specific Requirements:

Definitions:

- Solar canopy: A structure over a parking lot or a parking garage allowing vehicles to park directly
 under the solar panels. A solar canopy is not the mere placement of solar panels over the existing
 structural roof of a parking garage.¹
- Floating solar: A solar array supported by floats, fully resting on a body of water but connected to a land-based electrical grid.

Restrictions and Limitations:

- When a city, county, or State government is the site owner, the site owner shall receive all funds and shall be responsible for all determinations of Sections §§14-416 and 17-303 of the State Finance and Procurement Article (as applicable).
- At least one person certified as a Solar PV Installer by the <u>North American Board of Certified Energy Practitioners ('NABCEP')</u> must be involved in the design and/or installation of the solar array. Applicants will be required to provide the name and certification number of this individual.
- The Grantee receiving funding is responsible for submitting all reporting documents, including invoices, to MEA.
- Only one MEA grant may be awarded per project.²
- Projects will be given up to two years to be completed. When necessary, extensions may be requested from MEA at least two months prior to the expiration of the existing grant.
- For solar canopy projects, the Project includes at least four (4) new qualified Level II or Level III EV charging stations located in the same parking lot or on the same parking structure as the solar canopy. (The requirement for the location of the chargers may be waived by MEA.)
- The applicant must be able to exhibit control of the proposed project site, either as proof that the parking lot is owned or leased (with at least 25 years remaining after the expected completion of the project construction) by the applicant.
- The applicant must be able to exhibit a signed contract with an installing contractor/developer. This contract may be contingent on receipt of this grant. However, for State or local government

¹ Under rare circumstances, when vehicles may not be allowed to get wet, MEA may allow a light, non-structural structure to be installed between the vehicles and the solar canopy to protect against rain.

² MEA encourages grantees to consider energy efficiency in concert with a PV project. A grantee may also apply for, and receive an MEA Commercial, Industrial and Agricultural (CI&A) grant for energy efficiency or a Lawton Loan. Developers may use multiple energy efficiency or renewable energy grants from other State or Federal agencies to fund this project.

- agencies that must use a Request for Proposal, provide a letter of commitment, signed by a senior official from the state or local agency, documenting the agency's commitment to the project (in place of the signed contract).
- For State and Local Government entities, the proposed project site shall have a minimum load of 150,000 kWh/year attributed to an on-site State or local government agency electric meter. If a Local Government entity is using Aggregate Net Energy Metering, then an aggregated minimum load of 150,000 kWh/year must be attributed to the aggregated bill.
- A Maryland Historical Trust review must be completed without an adverse finding before grant funding may be awarded.
- The solar system must meet minimum system requirements as specified in IEEE 1547 and the National Electric Code.
- Each component of the system(s) must be listed or labeled by a recognized national testing laboratory.

Grant Funding and Payment:

- Upon receipt of grant agreement signed by both the grantee and MEA, MEA will encumber funds.
- No costs incurred by a Grantee prior to execution of a Grant Agreement will be reimbursed by MEA for a Project.
- Grants will be paid after the project is online and producing creditable power. The Grantee will inform MEA when the project is completed (all zoning requirements met, all permit inspections passed and permits closed, all commissioning tests satisfactorily completed, and permission to operate received from the utility). MEA, at its sole discretion, will then conduct a site visit. Upon completion of the site visit, the Grantee will submit a Final Invoice and Completion Report. Upon receipt of a complete and accurate invoice and completion report, MEA will process the remaining grant funds for payment to Grantee.
- MEA reserves the right to request documentation of hours worked, receipts for materials ordered, etc., to justify funding amounts.
- For any project that is inspected by MEA, all major deficiencies (as specified by MEA) must be corrected before MEA will make grant funds available. Minor deficiencies should be addressed/corrected, but distribution of grant funds will not be delayed.

<u>Solar Renewable Energy Credits (SRECs)</u>: Projects must register for and receive Solar Renewable Energy Certificates (SRECs) in Maryland. Grantees will be required to verify the successful registration of projects with the Maryland Public Service Commission and with PJM Interconnection. For information concerning SREC registration, consult the PJM EIS website at https://www.pjm-eis.com/.

<u>Floating Solar</u>: FY23 is the first year floating solar has been authorized under this grant program. Developers considering floating solar arrays should talk to the Maryland Department of Natural Resources and Maryland Department of the Environment to determine what permits and permissions will be required. For projects contemplated for the Chesapeake Bay or connecting waters, consultation with the Critical Area Commission for the Chesapeake & Atlantic Coastal Bays is

mandatory. This consultation should occur before applying for a grant.

<u>Dual Use Technologies</u>: Developers considering technologies other than solar canopies and floating solar should discuss the technology with MEA in advance of application. MEA, at its sole discretion, may accept or reject a technology as being an acceptable dual use technology for this program.

<u>Agrivoltaics</u>: Agrivoltaics will not be allowed to apply for the FY23 program. Developers considering agrivoltaics should instead apply to MEA's <u>Open Energy Grant Program</u>.³

<u>Program Changes</u>: Any update (e.g., extension of a deadline) or clarification about the Program and any corrections to inadvertent errors in the Program information will be available on the Public Facility Solar Grant Program webpage. In addition, MEA will communicate clarifications and updates made after the application deadline directly to applicants or grantees, as applicable, by letter and/or e-mail.

The final grant amount for each Grantee will be made after review of all proposals received and is subject to funding availability for the Program and any relevant statutory requirement applicable at that time.

Questions can be directed to:

David Comis, Energy Program Manager

<u>David.Comis@Maryland.gov</u>

410-537-4064 (w)

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³ https://energy.maryland.gov/Pages/OpenEnergyGrantProgram.aspx